

January 15, 2020

To the members of the House Environment and Transportation Committee,
Maryland House of Delegates

I wish to write in support of the exclusion on sales tax for aviation parts currently under consideration before your committee. As an aircraft owner, I am keenly aware that the effort behind the bill can sometimes be misconceived as an effort to benefit an already-privileged group. It is not. Rather, it represents a practical attempt to save an important piece of infrastructure and educational opportunity in our state.

Aircraft ownership can be expensive, but its costs should be put in perspective. The majority of the fleet was built in the 1980's, and the cost of ownership of these older planes including my own is dwarfed by the more common investments in boats or Ocean City condominiums many in our state make. The sales tax on parts does not represent a large percentage of that cost of ownership.

What matters to us, and hopefully to you, is not the modest amount of parts sales tax money involved when we take a plane to the mechanic, but rather having that mechanic doing business in the State of Maryland in the first place. The small savings from a parts tax exemption translates into a very significant competitive factor when a mechanic opens a shop and provides the jobs that go with it. Condominiums don't fly, but an aircraft can be in Pennsylvania in 10 minutes. Gas stations across the street advertise against each other over pennies; with an aircraft that distance across the street can be measured in hundreds of miles.

My 37 year-old plane had its engine rebuilt two years ago, a mandatory and intensive process that requires many hours of labor. It had major electronics upgrades seven years ago and will get its tired interior refreshed next year. All of these projects happened in Virginia and Pennsylvania, not because I didn't want to pay sales tax on parts, but because the shops in Maryland simply didn't do work of this size.

Having a robust aviation infrastructure in our state benefits us all, but it may most benefit our youth. Aviation continues to represent a growth industry as a whole, and the jobs it creates whether for pilots or in the trades as mechanics or avionics technicians rely upon having that infrastructure close to our students. Just last month our excellent public high school in north Baltimore County, Hereford High, added a vocational training program in aviation. It is a program whose graduates will be increasingly forced to find employment north of our state line.

I hope you will see this initiative for what it is, an opportunity to maintain and grow an industry here in Maryland and allow for meaningful educational opportunities in high-paying, in-demand trades. The states on our borders already have.

Best regards,

Gregory P. Guyton